Village of Salado, Texas Board of Aldermen Regular Meeting Meeting Minutes

6:30 p.m. Thursday, January 21, 2016 Municipal Building, 301 N. Stagecoach Road

Present: Mayor Skip Blancett, Mayor Pro Tempore Fred Brown, Alderman Frank Coachman, Alderman Amber Dankert, Alderman Michael McDougal, Alderman David Williams

Others Present: Kim Foutz, Village Administrator; Chrissy Lee, Acting Recorder; Dottie Palumbo, Village Attorney.

I. Call to Order.

Mayor Blancett called the meeting to order at 6:30 p.m.

- 1. The invocation was led by Larry Sands.
- 2. The Mayor led the Pledge of Allegiance and the Texas Pledge of Allegiance.

II. Reports.

Mayor's Report:

Mayor Blancett called attention to several events in the near future: Special Called BOA Workshop on Main Street sewer lines, January 25; Town Hall on wastewater improvements, January 26; the Salado Chamber of Commerce Banquet, January 28; The BOA Planning Retreat January 30. He announced that he will conduct a series of one-on-one meetings with citizens. Hour-long sessions can be scheduled at City Hall. He directed the Chief of Police to limit entrances and exits from the building.

Board of Aldermen Reports:

Environmental Committee: Alderman Dankert reported that Texas Parks and Wildlife will pay for an informational sign at the former location of the Sirena statue. She and Administrator Foutz have learned of more grant opportunities.

ETJ/Annexation Committee: Administrator Foutz reported that she has been in conversation with Salado Independent School District regarding the cost to connect to the sewer system as it relates to annexation.

Ordinance Committee: Alderman Coachman had no report. He asked citizens to consider applying to serve on one of the Village's boards and committees.

Main Street Committee: Mayor Pro Tempore Brown reported that the subcommittee assessed Main Street for light placement, sidewalks, etc., last week as part of the Main Street Improvements Program. These findings will be reported to Texas Department of Transportation during a Special Called Meeting on Monday. He thanked Administrator Foutz for her pursuit of grants for Main Street and the Village.

Street Improvements Committee: Alderman McDougal reported that the west side frontage road from Thomas Arnold to FM 2268 is expected to open February 1. He said Mike Killgore of James Construction said his company will do all it can to finish construction through Salado by mid-year.

Stagecoach / Wastewater Status Report: Administrator Foutz reported there are issues with low amounts of effluent running through the Stagecoach plant. A meeting will take place soon to encourage more customers to use the plant.

Financial Report: See attached.

III. Proclamations / Special Recognition.

None.

IV. Public Comments.

3. Kent Bass, 1615 Mill Creek Drive, presented a letter to the Board of Aldermen and expressed his concern about the increase in property taxes. See attached.

King Copeland, P.O. Box 192165, Dallas, Texas 75219, spoke about the lack of BOA transparency and his growing discord with Sanctuary. See attached.

K.D. Hill, 1221 Baines, spoke about for more childcare and the lack of youthful representation at Village meetings.

Hans Fields, 818 Blaylock, read a handout to the BOA. See attached.

Linda Reynolds, 507 Santa Rosa, thanked the Planning & Zoning Commission for its recent public hearing on zoning and expressed a desire that the BOA honor the Commission's point of view.

Cathy Carlson, 3400 Chisholm Trail, expressed her dissatisfaction with the way money and power have changed the Village and asked the BOA members to listen to the citizens.

Marianne Diorenza, 117 Salado Creek Place, said she was concerned about zoning changes in the Historical District, eminent domain, flooding, and other adverse effects of growth.

Maurice Striegler, 901 Salado Oaks Drive, expressed concern about paying the debt on sewer bonds when the Village is still three to five years from having a sewer system.

H.T. Crowell, 1501 Elizabeth Circle, expressed his anger about how the Sanctuary agreement was executed.

Sheryl Russell, 1710 Old Mill (Baines House) said that there are severe drainage and traffic problems in Salado that will only worsen with the Sanctuary development.

Darlene Walsh, 1110 Mill Creek, said she was concerned about zoning changes in the Historical District and the possibility of drive-through restaurants.

James Haney, 501 Santa Rosa, said the Main Street shops need sewer, yet the Village has done nothing but pay interest on the bonds, and that the system of roadway for Sanctuary is not enough.

Mayor Blancett reported that a Town Hall forum on Wastewater System Improvements will take place at 6:30 p.m. Monday, January 26, 2016, in the Municipal Building.

V. Consent Agenda.

- 4. Consider approving the Consent Agenda items:
 - a. Minutes, January 7, 2016, Regular Meeting
 - b. Minutes, January 14, 2016, Special Called Public Hearing and Workshop

Alderman McDougal made a motion to approve the Consent Agenda as presented. Mayor Pro Tempore Brown seconded. The motion carried unanimously.

VI. Regular Session.

5. Hold the second public hearing for the purpose of receiving public comments on the initiation of annexation proceedings of the tracts generally described below:

Sanctuary Development:

- a. $31.745 \pm -$ acres generally located at the northeast corner of FM 2268 and I-35 frontage road.
- b. 196.945 +/- acres generally located at the corner of Salado Oaks Drive and FM 2268, and the 700 block of Royal Street Drive, just east of Rose Way Drive.
- c. 58.132 +/- acres generally located at the southeast corner of FM 2268 and I-35 frontage road.

Administrator Foutz explained the steps and timetable for annexation, which are prescribed by law, including the Municipal Services Plan.

Mayor Blancett opened the public hearing at 7:34 p.m.

King Copeland questioned the change in acreage for annexation and issues of procedure during Board of Aldermen meetings.

Linda Reynolds expressed concerns about Sanctuary's effect on the environment.

The Mayor issued the second call for speakers at 7:39 p.m. and the third call at 7:40 p.m.

Maurice Striegler expressed his concerns about making Salado Oaks Drive a feeder road into the Sanctuary development and the increase in cars and traffic.

Hans Fields expressed concern that a picture of a concept plan is the only document that shows what is to be built in the Sanctuary development.

Judy Fields, 818 Blaylock, commented on the effect the annexation will have on the school district.

James Kelly, 1017 Salado Oaks Drive, said that he enjoys there being open pasture behind his home and would prefer to see any development in that area be large-lot tracts.

Randy Bingham, 3306 Chisholm Trail, thanked the BOA for its vision of growth for the Village.

The Mayor issued the final call for speakers at 7:49 p.m. He closed the public hearing at 7:50 p.m.

6. Hold the second public hearing for the purpose of receiving public comments on the initiation of annexation proceedings of the tracts generally described below:

Hidden Glen Subdivision – Senior Living:

18.71 acres out of 20.017 acres in the Young Williams Survey, Abstract No. 861, Tract 1, Bell County, Texas, located at 251 Mary Lane locally known as Hidden Glen Senior Living.

Administrator Foutz explained the steps and timetable for annexation, which are prescribed by law, including the Municipal Services Plan.

The Mayor opened the public hearing at 7:53 p.m. He called for speakers at 7:54 p.m., issued the second call at 7:54 p.m., and the third and final call at 7:54 p.m. He closed the public hearing at 7:55 p.m.

7. Hold a public hearing for the purpose of receiving public comments and consider zoning and/or rezoning of the tracts generally described below:

Sanctuary Development:

a. 55.499 +/- acres to PD-MU (Planned Development Mixed Use), generally located at the northeast corner of FM 2268 and I-35 frontage road (Area A).

- b. 197.265 +/- acres PD-MU (Planned Development Mixed Use), generally located at the corner of Salado Oaks Drive and FM 2268, and the 700 block of Royal Street Drive just east of Rose Way Circle (Area B).
- c. 57.985 +/- acres to PD-C (Planned Development Commercial), generally located at the southeast corner of FM 2268 and I-35 frontage road (Area C).
- d. 3.12 +/- acres from HD (Historical District) to PD-C ((Planned Development Commercial), generally located at 714 South Main Street (Area D).

Administrator Foutz explained the proposed zoning/rezoning with respect to the Future Land Use Plan (FLUP), compliance with the Comprehensive Plan, and development regulations. Mitigation has been offered by the developer based on input received at the Planning & Zoning Commission meeting January 12, 2016.

Area A is substantially compliant with FLUP. Proposed mitigation includes a 60' buffer with an opaque fence, trees, or other landscape and hardscape for any commercial buildings on the eastern property boundary of Area A that are adjacent to single family detached homes that were built as of November 25, 2015.

Area B is substantially compliant with FLUP. Proposed mitigation includes a Single Family Detached development, 110' deep along the west side.

Area C is compliant with the FLUP.

Area D rezoning request was withdrawn from application, provided the permitted & conditional uses for HD zoning are not restricted or reduced from those that existed on November 25, 2015. Staff is currently awaiting legal advice.

There was discussion about the proposed zoning and rezoning relating to concept plan, roads, and technical standards.

The Mayor opened the public hearing at 8:22 p.m.

Steve Meler, 619 Baines, urged the BOA to heed the Planning & Zoning Commission recommendation to keep the zoning on the northeast corner in Area A as Single Family.

Hans Fields asked the BOA to not wait until platting to address concerns and to heed the P&Z recommendation.

Bev Turnbo, 349 College Hill Drive, said she opposes changing the zoning of the Historical District property and is glad to learn that the request has been potentially withdrawn.

Bill Kinnison, 1216 Salado Oaks Drive, recommended that the Village not reduce the Historical District and that it should be everyone's goal to preserve the history of the Village.

Richard Paul Thomas, 916 San Juan Road, said that large building and concert halls will not blend with the aesthetics of Salado, and he is concerned that the charm and peace of the Village will change with this development.

Bruce Gordan, 1016 Salado Oaks Drive, said he is concerned that incomplete plans have been received from the developer.

Linda Reynolds asked the board to take more time in establishing zoning for the development.

Helen Staples, 1212 Fairway, said she is concerned about saving the history of Salado.

The Mayor issued the second call for speakers at 8:44 p.m.

Maurice Striegler reminded the BOA members of a packet he distributed at a previous meeting. He expressed his concern about increased traffic on Salado Oaks Drive if the street is used as a thoroughfare into the Sanctuary development.

Darlene Walsh said she is concerned that potential zoning would have a detrimental effect on property values in Area A.

The Mayor issued the second call for speakers at 8:50 p.m.

Judy Fields made a reference to HB HCR 197 and her desire to see Salado maintain its cultural heritage.

Bonnie Smith chose not to speak but issued in writing her opposition to zoning/rezoning in Areas A, B, and D.

Loris Williams chose not to speak but issued in writing her opposition to zoning/rezoning in Areas A and D.

The Mayor issued the final call for speakers at 8:53 p.m. and closed the public hearing at 8:53 p.m.

8. Hold a public hearing for the purpose of receiving public comments and consider zoning and/or rezoning of the tracts generally described below:

18.71 acres out of 20.017 acres in the Young Williams Survey, Abstract No. 861, Tract 1, to PD-MU (Planned Development Mixed Use) for Hidden Glen Senior Living Center located at 251 Mary Lane.

Administrator Foutz Administrator Foutz explained the proposed zoning/rezoning with respect to the Future Land Use Plan (FLUP), compliance with the Comprehensive Plan, and development regulations.

The Mayor opened the public hearing at 9:00 p.m. He issued the first and second calls for speakers.

Linda Reynolds asked about sewer on Santa Rosa.

Brian Sunshine, 926 North Ridge, said there are houses for sale in the area of this development because of flooding.

The Mayor issued the third call for speakers at 9:03 p.m. and closed the public hearing at 9:03 p.m.

VII. Ajourn.

Alderman Dankert made a motion to adjourn. Alderman McDougal seconded. The motion carried unanimously.

Mayor Blancett adjourned the meeting at 9:04 p.m.

Skip Rancet, Mayor

Chrissy Lee, Acting Recorder

Kent L. and Janet Bass 1615 Mill Creek Dr. Salado, TX 76571 214/957-2402

We come before the Board tonight to express our displeasure and concern about the enormous increase in our city property taxes over the past two years. Our 2013 city property taxes totaled \$232.78 (based on an assessed value of \$332,609) with a tax rate of \$0.1200 per \$100.00 of valuation. For the 2015 tax year, our city property taxes have escalated to \$1,440.08 with a tax rate of \$0.3395 per \$100 of valuation. While the assessed value of our property increased by 27.5 % for the two years, the dollar amount of our taxes increased by a staggering 518 % and the tax rate by 183 %. Further, in the past five tax years from 2010 to 2015, the assessed value of our property has increased a modest 21.5% while the city tax rate has increased by 590% and the dollar amount of our taxes have increased by 738%. A copy of our property tax history from the Tax Appraisal District of Bell County is attached for reference.

Obviously, we are concerned not only by the actual amount of increase in the tax rate and dollar amount of our taxes, but by projecting even much smaller increases in taxes into the future, owning property in the Village of Salado will become prohibitive (especially to seniors on fixed incomes).

We are aware that the citizens voted for a sewer system that precipitated some of this increase in taxes. This sewer system was sold to the voters on the premise that providing sewer to commercial property would increase sales tax revenues and thereby reduce the need to increase property taxes. We felt at the time that this was an argument that could not be substantiated. In our opinion, it convinced voters to vote for something that was not in their best interest. Furthermore, we have not recognized any increase in city services that would justify any increase in city property taxes, much less the enormous amount that we have experienced in the past two years. Now it appears that this Board is determined to expand the sewer bond approval beyond its original stated purpose.

Also, as a part of the sewer bond package, this Board eliminated non-homestead residential property owners from the benefit of the 20% property tax exemption that all city residential property owners are afforded. In our opinion, this was a very short-sighted and punitive tax increase on non-homestead property owners. One of the things Salado has to offer is a resort type community that has the potential to attract second home/non-homestead type residential property owners like ourselves. This punitive tax on non-homestead property owners will discourage these type owners (many of which are seniors that are very tax conscious). This short-sighted punitive action against non-homestead property owners was taken while most cities are looking for ways to attract second-home/non-homestead owners. The reason cities want non-homestead property owners is simple: second home owners are typically financially viable (they spend more money) and they typically don't have children to educate which

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lessens the burden on the public school system. It seems incomprehensible that this Board would want to discourage these type homeowners.

Finally, this Board has recently taken action regarding the Sanctuary residential development that has the potential to significantly increase residential taxes in the coming years. It is our request that the Board be mindful of the negative effects that property taxes have on citizens and the economy of a community. As many municipalities in this country are beginning to discover, bad fiscal management does have negative consequences that are ultimately borne by their taxpayers.

Sincerely,

Kent L. Bass and Janet Bass

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The Salado Historical Society Salado, Texas

GUIDELINES

FOR THE PRESERVATION, REHABILITATION AND CONSTRUCTION OF PROPERTY WITHIN THE SALADO HISTORIC DISTRICT

The 71st Legislature of the State of Texas acknowledged the need to safeguard the special historical qualities of Salado by the creation of a Historic District, and further by the establishment of appropriate guidelines through which the Board of Directors of the Salado Historical Society could maintain those safeguards (H.C.R. 197). To that end the Salado Historical Society has created a Historic District Committee.

I. HISTORIC DISTRICT COMMITTEE

- A. APPOINTMENT AND COMPOSITION: The Committee shall be composed of seven (7) members. The Historical Society Board of Directors shall appoint all members of the Committee. Four members shall represent the Historical Society, one member shall be recommended for appointment by the Bell County Historical Commission, one member shall be recommended for appointment by the Salado Chamber of Commerce for liaison purposes, and one member shall be appointed from the citizenry of the Village who has expertise in the architectural, building construction and realty fields. The Committee shall elect its own Chairman.
- B. TERM: All members of the committee shall be appointed for staggered terms in order to maintain continuity of effort. Of the members representing the Society, each shall serve a three year term, The member from the Bell County Historical Commission shall also be appointed for a three year term, as shall the representative of the architectural, building and realty field. The liaison member from the Chamber of Commerce shall serve a one year term. All members may be reappointed for another term. No member may serve for longer than six consecutive years.
- C. PREREQUISITES FOR COMMITTEE MEMBERSHIP: All members shall be residents of the Village of Salado, except that this may not be a requisite of the representative of the Bell County Historical commission. The majority of the members must own or rent property within the Historic District. All members shall have a demonstrated interest, competence and/or knowledge in historic preservation.

About the Salado Historic District and these Historic District Guidelines

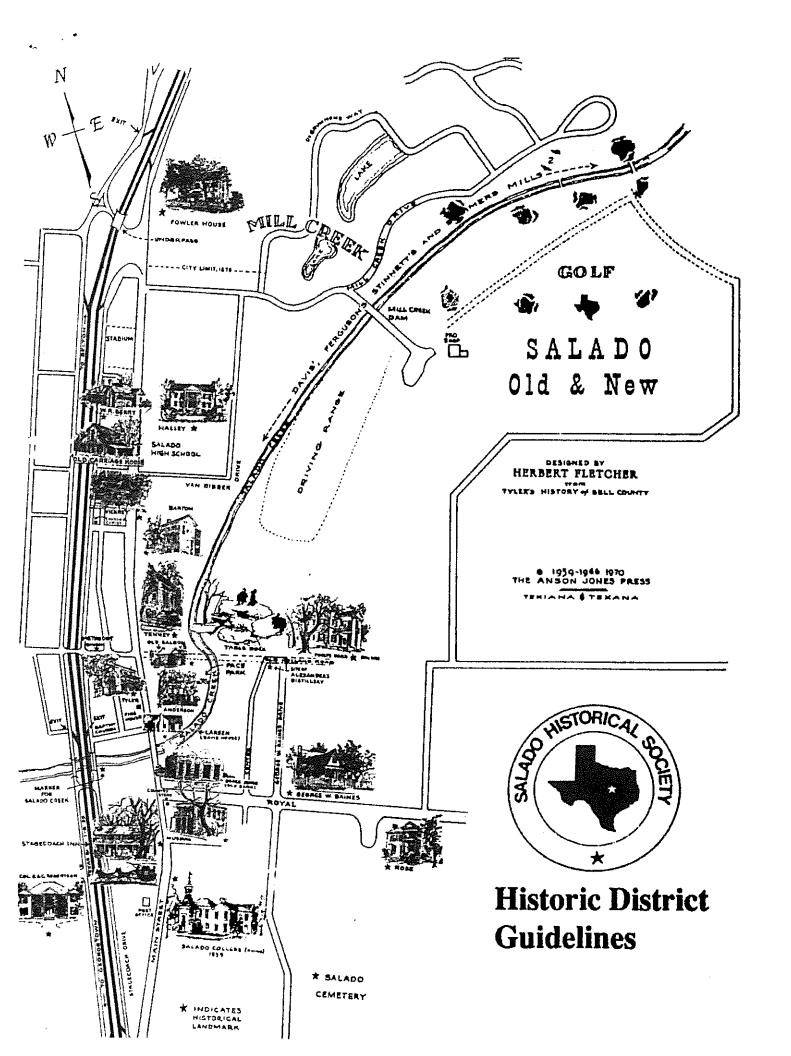
For those of us fortunate enough to live here, and for the thousands of visitors who travel through here every year, Salado is a very special place. The spirit of the village, the small town quality combined with a certain urban sophistication, the great old buildings from Salado's past, and the beauty and tranquility of Salado Creek all combine to make our village unique and lovely.

Because the preservation of the heritage of Salado is the most important project with which many of us can be involved, the establishment and maintenance of a historic district has become the highest priority of the Salado Historical Society. It is this preservation of our history, our constant struggle to save and protect our village and our steadfast effort to maintain the cleanliness of Salado Creek that brings visitors, and new residents to our village. Only through determined community effort have we been successful in maintaining our historic ambiance and environment.

In 1988 the concept of a Historic District in Salado was encouraged and supported by a Special Act of the Texas Legislature. At that time a 'historic district' was outlined on a community map, and those living and working within that area gave overwhelming approval for the establishment of the district. Guidelines written in conventional but easily understandable terms to describe those conditions necessary to perpetuate our heritage have been developed.

Our Guidelines are unique because Salado is the only unincorporated village in Texas attempting to preserve its historic qualities through such a document. The historic district guidelines of other small communities were of great assistance in the preparation of our Guidelines, but because the situation in Salado is unique, a large portion of this work is original.

These Guidelines have been endorsed by the Salado Chamber of Commerce, the Bell County Historical Commission, and the Texas Historical Commission.



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> JANUARY 21, 2016
> GENERAL PUBLIC COMMENT
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> Mr. Mayor and
> Aldermen:
> My name is King Copeland
> and my address is PO Box 192165 Dallas, TX,
> 75219.
>
> All the village ever
> wanted in the November 2014 election was a much needed sewer
> system for Main Street, the West Side, and our
> schools...but you turned that vote on its head so that
> it doesn't primarily benefit the Village, but the
> Sanctuary.
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> And since the agreements
> and plans for Sanctuary have been disclosed after a year of
> questionable secret meetings, there has been growing discord
> over what you've signed the village up for
> regarding:
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> Eminent domain
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> Major thoroughfares running through
> neighborhoods to get to the Sanctuary.
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> .
> rezoning of the historic district,
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> .
> 15 years of tax breaks and 45 years of
> effluent.
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> .
> expensive houses on postage stamp
> lots
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> .
> and much, much more.
> All for a six acre
> donation and $1 million that no one's seen?
> WHOSE SIDE ARE YOU ON? Billie Hanks or 2000 registered
> voters?...and What's in it for you?
> Many of you have recently
> said publicly and privately that the sanctuary is not
> something that the people of Salado want. Yet you forced it
> down the citizens throats and voted for it anyway. A
> line in the sand of 10 years...somehow became
> we got everything we wanted at 15 and 45 years.
> This morning, the price of
> a barrel of oil was $26.55. In August, Mr. Sulasky
> said the price of oil had to be in the 65-70 range for the
> development to progress, then in December, Mr. Hanks
> exercised Sulasky's Disney magic dust and lowered
> the trigger to $50. That price is now ½ of
> Hanks' projection. So where are the financials
> to support this deal, the market study, the feasibility
> study....anything that assures the people that you are
> not potentially bankrupting the village out of promises
> made or delivered by selfish interest rather than the
> interest of the people of Salado???
> I ask that these written
> comments be submitted for the record. Thank you.
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